

County of Los Angeles
DEPARTMENT OF PUBLIC SOCIAL SERVICES

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December 6, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**RECOMMENDATION TO ACCEPT GRANT FUNDS AND APPROVAL OF FUNDING
RECOMMENDATIONS FOR THE
2006 COMMUNITY SERVICES BLOCK GRANT PROGRAM
(ALL SUPERVISORIAL DISTRICTS) (3-VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Director of the Department of Public Social Services (DPSS) to accept Program Year (PY) 2006 Community Services Block Grant (CSBG) funding from the State Department of Community Services and Development (CSD) which is anticipated to be \$5,860,343 based on 90% of 2005 PY funding level.
2. Authorize the Director of DPSS to execute the State Standard Agreement for the 2006 PY CSBG funding and any required term extensions, modifications, and/or amendments, and to accept additions to or reductions in CSBG funding, up to 25% of the anticipated grant award.
3. Authorize the Director of DPSS to negotiate and execute contract amendments with the agencies in the amounts indicated on Attachment A, in substantially similar form to Attachment B, for the provision of community services effective one

day after the Director of DPSS signs the Amendment or January 1, 2006, whichever date is later, through December 31, 2006. The total contract cost of \$4,294,504 will be fully financed by State CSBG funds.

4. Authorize the Director of DPSS to prepare and sign contract amendments to increase or decrease contract amounts based on the Contractor's performance and availability of funding provided that: (a) the amount of change does not exceed 25% of the original contract amount; and (b) approval is granted by the Chief Administrative Office (CAO) and County Counsel prior to executing such amendments, and the Director will notify the Board and the CAO in writing within ten business days after execution. This action assures full expenditure of funds and is consistent with the Board's policy requiring review of contractor performance.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Each calendar year, the County receives CSBG grant funding from the U.S. Department of Health and Human Services through the State CSD based on the latest census data on poverty individuals. The grant provides funding for CSBG program services to the County's impoverished population and DPSS costs for administration. CSD has not received notice of California's final 2006 CSBG allocation.

The PY 2005 CSBG funding and service provider contracts expire on December 31, 2005. The recommended actions using 90% of 2005 PY funding levels will enable contract agencies to provide services to low-income residents who are at or below the federally-established poverty level in Los Angeles County with access to a broad array of services in employment, education, health, housing, nutrition, linkages and emergency services, and avoid any interruption in services.

The agencies' funding allocations are based on the funding methodology that has been approved by the Executive Committee of the Community Action Board (CAB).

In addition to the \$4,294,504 allocated to contractors, \$1,565,839 of the CSBG grant from the State is allocated for DPSS staff assigned to the CSBG program. As specified on Attachment A, these DPSS staff expenditures consist of program and administrative costs, which have been approved by the State. Compared to the total amount of the contracts, these DPSS staff costs are much higher than the average costs of contract monitoring, as a result of several factors that are unique to CSBG:

- (1) There are over 100 CSBG contracts which all require monitoring and invoice processing. Though the average amount of each contract is low, the administrative work required on each contract is substantial.

(2) All costs for DPSS program and fiscal staff must be charged to our CSBG grant because of the nature of our CSBG funding, whereas monitoring costs on other contracts do not include program and fiscal staff.

(3) DPSS staff supports the Community Action Board (CAB).

Fifteen DPSS staff are allocated to the CSBG program on a full-time or part-time basis, which is less than the number of CSBG staff when the program was administered by the Department of Community and Senior Services. The cost of their salaries and benefits, plus indirect costs based on a rate determined by the State, must be charged to our CSBG grant. As DPSS gains more experience with the administration of the CSBG program, we will be attentive to any potential opportunities to reduce DPSS staff expenditures in order to maximize CSBG funding for direct services provided by contract agencies.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the principles of the Countywide Strategic Plan Goals. Goal 1: Provide the public with easy access to quality information and services that are both beneficial and responsive; Goal 3: Ensure that service delivery systems are efficient, effective and goal-oriented; and Goal 5: Improve the well-being of children and families in Los Angeles County as measured by the achievements in the five outcome areas adopted by the Board: good health; economic well-being; safety and survival; social and emotional well-being; and educational/workforce readiness.

FISCAL IMPACT/FINANCING

The Department's FY 2005-06 Adopted Budget includes sufficient appropriation and anticipated revenue to cover the cost of the program, using 2005 PY funding levels with an anticipated 10% reduction. It is anticipated that there will be no fiscal impact on the County general fund as the CSBG program is fully financed by Federal appropriations. In the event the 2006 PY CSBG grant funding is not realized to the extent anticipated, DPSS will amend contracts to reflect any 2006 PY funding reductions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On September 15, 2005, the Los Angeles County CAB approved the funding recommendations of all agencies listed on Attachment A. The recommended funding levels have been allocated to agencies in proportion to the poverty population totals in each Supervisorial District.

The PY 2006 funding will end the four-year RFP period which began in August 2002. Attached for your review is Attachment C, the "Grant Management Statement for Grants".

CONTRACTING PROCESS

The contracts for recommended agencies on Attachment A are being amended for the PY 2006 funding. The RFP was conducted for a four (4) year funding period with annual amendments (for a total of four years) based on contract compliance and contractor performance. This Amendment to extend the CSBG contracts through December 31, 2006, marks the fourth and final year of the four-year funding period.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will enable DPSS to continue providing CSBG services to low-income residents in all Supervisorial Districts of the Los Angeles County through its CSBG network of 101 non-profit agencies. These actions will preclude any interruption of current services. The cities of Los Angeles, Long Beach, Pasadena, South Pasadena, Duarte, Monrovia, Sierra Madre, Arcadia, and portions of Altadena receive CSBG funds directly. Residents in these areas will not be served under the County's CSBG Program but rather by their own community action agencies.

CONCLUSION

The Executive Officer, Board of Supervisors, is requested to return one adopted stamped Board letter to the Director of DPSS.

Respectfully submitted,



Bryce Yokomizo
Director

BY:jg

Attachments

- c: Executive Officer, Board of Supervisors
- Chief Administrative Officer
- County Counsel
- Auditor-Controller
- Community Action Board